

costing and pricing regulation. DA also meets the criteria of Sect. 10(a) of the Act.<sup>43</sup>

SNET recommends that Directory Assistance services should no longer be subject to regulation. Given the nature of the market today, continued regulation of ILECs' DA services would serve no useful purpose.

A similar situation exists with Special Access services, which also should no longer be subject to regulation. CAPs have been providing Special Access services to large business customers for years, and ILECs do not have the capability to know how much business, including new or growth business, CAPs have gained. Large business customers have always been targets for CAPs, which have been able from the very beginning to offer bulk discounts and specialized services as *direct substitutes and replacements* for ILEC special access. Moreover, as usage has increased and special access prices have come down, the cross-over point between switched and special access has shifted, so that special access carries more traffic today on a relative basis than it once did.

In addition, the Interconnection Order requires that ILEC special access services be made available at deep discounts, again reducing ILEC opportunities in this market. Because this competition fully protects consumers, and because ILECs do not control prices for special access services, they must be subject to forbearance under the reformed access regime.<sup>44</sup>

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<sup>43</sup> USTA, pg. 35-48.

<sup>44</sup> See GTE, pgs. 58-65; USTA, pgs. 35-48; SWBT, pgs. 18-19; CBT, pgs. 15-17; API, pgs. 34-38; SNET, pgs. 22-23; Citizens, pgs. 19-20; USW, pgs. 39-42; BellSouth, pgs. 21-24; ALTS, pgs. 17-20; Bell Atlantic/NYNEX, pgs. 55-57.

SNET also recommends that the Commission also forbear from regulating dedicated switched transport service, the interoffice "pipe" facilities often used by IXCs to provide special access services for their customers. As the Commission's collocation regulations allow IXCs and CAPs to provide identical services to their customers, ILECs no longer have market power regarding dedicated switched transport, and cannot increase rates. The rate elements for this service should thus be subject to forbearance.

V. THE PRICE CAP MECHANISM NEEDS ONLY IMMEDIATE STRUCTURAL SIMPLIFICATION, NOT AN UNWARRANTED INCREASE TO THE PRODUCTIVITY FACTORS. (Paras. 231-235.)

A. All Price Cap LECs Are Not Alike.

Much discussion in the comments has been made regarding the high earnings of price cap carriers and the need to reduce access rates to prevent over-earnings. However, SNET and others correctly assert that not all price cap carriers are alike, and, in fact, do not have high access earnings as some of the larger price cap LECs do. Certain price cap LECs do not enjoy the scale and scope that some of the regional BOCs are experiencing. SNET as a single state ILEC cannot benefit from the geographic and regional diversification that the larger companies can. SNET's earnings have never entered the sharing range. Small and mid-sized companies are smaller in size by any measurement, and serve only small geographic (and usually rural) areas, and generally have not experienced the growth in interstate access services that the larger companies have.<sup>45</sup>

For smaller ILECs, the competitive loss of one major access customer could be economically devastating. Because these smaller ILECs do not have the flexibility to respond with price or rate structure changes, they suffer substantial, and unnecessary, market risk. The current access charge regime impedes these ILECs from developing competitive responses to meet these customers' needs.<sup>46</sup>

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<sup>45</sup> See, e.g., Citizens, pgs. 4-9; CBT, pgs. 4-5; SNET, pgs. 7-8.

<sup>46</sup> Commonwealth, pg. 6.

SNET therefore urges the Commission to consider the special needs of the smaller price cap carriers when considering reforms of access services. While SNET urges flexibility for all ILECs, SNET submits that in any case, rules or changes in the price cap mechanism that the Commission adopts should recognize the needs of the smaller carriers, and should provide sufficient flexibility and opportunity for them to participate effectively in the market.

B. An Increase In The Productivity Offset Is Contrary To The Goal Of Price Cap Regulation.

Some commenting parties believe that access reform should include an increase in the price cap productivity offset (X-Factor). An X-Factor of 10%, plus a consumer productivity of 5.2% for five years, is advocated by MCI.<sup>47</sup> AT&T advocates a minimum X-Factor of 8.8%, including a 0.5% consumer productivity dividend.<sup>48</sup> Other commentators simply state that an increased X-Factor is needed just to bring rates down, or in essence because price cap earnings are allegedly too high.<sup>49</sup>

Any proposal that advocates an increase in the X-Factor because earnings are too high, or because rates have to come down, is off the mark with respect to the Commission's price cap incentive regulation plan. These earnings mean that the plan is successful, that ILECs are more motivated, productive and efficient than in the past,

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<sup>47</sup> MCI, pg. 26.

<sup>48</sup> AT&T, pg. 70.

<sup>49</sup> ICA, pg. 4; NYPDS, pg. 2; Ad Hoc, pg. 69; CPI, pg. 21; API, pg. 28.

especially given that prices (rates) have decreased even as earnings have remained strong, at least for many ILECs. This is exactly what the Commission intended. The incentive regulation plan works. To squelch this motivation with an extremely ambitious -- and most likely unattainable -- productivity offset would only undermine a plan that has clearly worked.

The price cap regulatory compact is based upon the incentive principle: ILECs' rates will go down, and in exchange for this regulation of price (as opposed to regulation of earnings via the rate base), regulations on earnings are eased. That is, the price cap regime motivates ILECs to become more productive and efficient and to increase and retain earnings, in exchange for regulations limiting increases in their access rates (i.e., capping the prices).

Recent history now demonstrates that this is exactly what has occurred.<sup>50</sup> Parties who advocate that the price cap LECs ought now to essentially be punished with a mandated higher productivity offset, because price cap regulation is accomplishing what it set out to do, do an immense disservice to the Commission, to the regulatory process, and to consumers at large.<sup>51</sup>

As USTA advocates and thoroughly describes, the use of an X-Factor based upon total factor productivity (TFP) would be the correct way for the Commission to

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<sup>50</sup> SNET notes here for the record that, as explained in its Comments in this proceeding (pgs. 28-30), it has not attained the level of earnings that the much larger, more diversified, and more geographically diverse RBOCs and GTE have attained.

<sup>51</sup> SNET notes that the IXCs have actually increased their message toll rates as ILEC access rates have come down. See, e.g., USTA, pg. 8.

proceed.<sup>52</sup> This approach has many advantages: 1) it is administratively simple,<sup>53</sup> 2) it reflects actual performance industry-wide, 3) it avoids overstatements of true productivity,<sup>54</sup> 4) it carries a reasonable expectation of improved productivity,<sup>55</sup> 5) it is easily verifiable using publicly available data,<sup>56</sup> and 6) it avoids fundamental differences of scale and scope.<sup>57</sup>

Further, as USTA explains in its Comments, changing the access rate plan to a more cost causative approach -- such as recovering the CCL fixed costs with a flat rate rather than a per-minute rate, and recovering the residual TIC charges on a flat rate, bulk-billed basis -- will actually reduce ILEC calculated productivity.<sup>58</sup> This is because growth in minutes will no longer be reflected by growth in revenues, a key ingredient in productivity improvement. ILEC productivity would no longer increase at past rates, because productivity will be tied to the more slowly growing flat rated elements, rather than the faster growing minutes. In addition, competitive losses will

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<sup>52</sup> USTA, pgs. 18-22, and Attachment 5, "Updated Results for the Simplified TFPRP Model and Response to Productivity Questions in FCC's Access Reform Proceeding," Laurits R. Christensen, Philip E. Schoech and Mark E. Meitzen, January 29, 1997.

<sup>53</sup> USTA, pg. 19, ff.

<sup>54</sup> Bell Atlantic/NYNEX, pgs. 58-59.

<sup>55</sup> GTE, pgs. 57-58.

<sup>56</sup> USTA, pgs. 19-22.

<sup>57</sup> SNET, pg. 28.

<sup>58</sup> See also, USW, pgs. 46-48.

reduce productivity as well, as ILECs will suffer access revenue decreases faster than they can shed access costs.

SNET recommends that the Commission adopt an X-Factor based upon TFP, as a reasonable approach while the ILEC access market experiences competitive losses, rate structure changes, and loss in productivity gains.

VI. CHANGES TO RATE STRUCTURES WILL BETTER REFLECT UNDERLYING COSTS. (Paras. 55-122.)

SNET agrees with USTA that the access rate structures for the recovery of interstate costs should be simplified, and allow for full cost recovery.<sup>59</sup> There are three access rate structure changes that LECs should be permitted to undertake immediately. These are the restructure of A) the transport interconnection charge (TIC), B) the Carrier Common Line (CCL) charges, and C) elimination of the "unified" tandem transport option.<sup>60</sup> The current structure of each of these access rate elements is clearly not cost causative, and presents a significant uneconomic distortion in a competitive access market.

In contrast to these three important rate structure changes, other rate restructure changes would have less impact, would involve additional administrative and billing costs, and can be cared for by letting the competitive market work.

A. Flat Rate Recovery Of The TIC Is An Appropriate Mechanism, Pending Separations Review.

The Commission must reject comments that suggest the TIC reflects no legitimate costs and therefore should be immediately eliminated.<sup>61</sup> USTA and other

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<sup>59</sup> USTA, pgs. 4, 69-70.

<sup>60</sup> SNET submits that the requisite cost causative changes in rate structure (from a usage-based element to a flat rated element, for example) will require significant changes to ILEC billing and administration systems. As these changes will take time to be made accurately, SNET requests that the Commission allow ILECs at least nine months to arrange for and test these changes. See, e.g., Ameritech, pg. 26.

<sup>61</sup> See, e.g., MCI, pgs. 87-88; NCTA, pg. 27; LCI, pgs. 27-28.



parties, particularly NYNEX, have provided substantial studies and evidence identifying the major cost components and cost basis for the TIC.<sup>62</sup> The TIC represents legitimate actual costs that have been assigned to the interstate jurisdiction and to the transport category through the application of the Commission's rules and regulations. Certain costs are better related to other service elements such as costs associated with trunking, transport and tandem switching and as USTA recommends, these costs are appropriately reassigned and recovered by those rate elements. The remaining costs of the TIC are a result of allocations to the interstate jurisdiction. Ultimately these costs need to be re-assigned pending a separations reform.

In the interim, until separations reform is accomplished, SNET supports the recovery of the TIC costs through bulk-billing Interexchange Carriers (IXCs) based on their interstate revenues or minutes of use. SNET also supports Pacific's suggestion, that alternatively, if the Commission continues to use a price cap productivity factor, reductions in revenues that result from the application of that factor to rates, could be targeted to the remaining TIC.<sup>63</sup> In this manner, separations rule reform and the targeted productivity offset could serve to eliminate the TIC over a reasonable number of years (e.g., five years).

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<sup>62</sup> USTA, pgs. 58-66; SWBT, pgs. 9-19, Pacific, pgs. 71-72.

<sup>63</sup> Pacific, pgs. 71-72.

B. Flat-Rate Recovery of CCL Is Appropriate.

The majority of commenting parties agree that the current minute of use charge for recovery of common line costs from IXC's is not appropriate, but rather, these costs are better recovered through a flat rate charge paid on a "per line" basis.<sup>64</sup> While SNET agrees with AT&T that simply changing the usage-sensitive nature of the CCL to a flat-rate charge will not eliminate the inefficiencies inherent in this element, SNET understands the reluctance to assess the full costs underlying the CCL charge directly to the end user. Thus, SNET concludes that the most appropriate "second best" option would be the recovery of CCL via a flat-rated charge to IXC's on the basis of presubscribed lines. With the exception of IXC's, most parties agree. This option most closely reflects common line costs and is administratively simple to bill. And as Bell Atlantic/NYNEX and SNET have pointed out, IXC's have a number of options available to recover these costs from end users.<sup>65</sup>

C. The Current Usage-Based Tandem Transport Option Should Be Eliminated, And The Dedicated Switched Transport And Special Access Rate Structures Should Be Consolidated.

Many parties agree that the current "unitary" or tandem rate structure is not cost-based.<sup>66</sup> This rate structure permits an IXC to select a per-minute option for

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<sup>64</sup> Teleport, pgs. 26-27, Cable and Wireless (C&W), pg. 10, MCI, pg. 76.

<sup>65</sup> SNET, pg. 33; Bell Atlantic/NYNEX, pg. 35.

<sup>66</sup> Pacific, pgs. 69-71; TDS, pgs. 22-24; SWBT, pgs. 13-14; ALTS, pg. 26; TCG, pgs. 6-7; AT&T, pgs. 59-60; ACC, pgs. 15, 41; SNET, pg. 38; Bell Atlantic/NYNEX, pgs. 36-38; NECA, pg. 3; Bell South, pgs. 72-73; Ameritech, pgs. 14-15.

traffic routed from an IXC's serving wire center via an ILEC tandem, despite the fact that the ILEC must provision dedicated facilities for this transport leg to particular customers. Further, mileage is measured based on the airline distance from the serving wire center to the end office.

Some IXCs insist that the Commission require ILECs to continue to offer the unitary tandem transport option.<sup>67</sup> These IXCs argue that direct-trunked transport facilities routes may vary, and that AT&T will have a unique advantage based on its pre-divestiture POP locations.

SNET favors elimination of the unitary tandem transport option as it is not cost based. Although some direct-trunked transport routes from the IXC's SWC to end office may vary, SNET determines this routing and is fully and directly compensated for the cost of miles between the IXC's SWC and the end office (including mileage to and from any customer-prescribed hubbing points). With the current unitary tandem transport structure, SNET and other ILECs are not fairly compensated to cover these costs.

Concerns about any AT&T advantage related to its pre-divestiture network are significantly mitigated by numerous market and network changes over the past 13 years. In Connecticut, these concerns are also alleviated by the presence of many alternative transport providers, and alternative tandem switching providers, and by the

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<sup>67</sup> Cable and Wireless, pgs. 15-17, CompTel, pgs. 24-26; Sprint, pgs. 21-23.

widespread availability of co-location. The Commission has already effectively unbundled switched transport.

"To the extent a service involves dedicated facilities, ... flat rates reflect the way incumbent LECs incur costs for dedicated facilities."<sup>68</sup> ILECs should not be forced to continue offering the unitary tandem option simply because it has been offered "traditionally" under regulatory circumstances that are now outdated.<sup>69</sup>

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<sup>68</sup> Pacific, pg. 69.

<sup>69</sup> See, e.g., Cable and Wireless, p.16.

VII. HISTORICAL COSTS MUST CONTINUE TO BE RECOVERED UNDER ANY ACCESS REFORM REGIME. (Paras. 247-270.)

Regardless of the approach selected by the Commission to effect access reform, ILECs must be afforded the opportunity to recover the costs incurred to support universal service and public policy goals.

In this competitive environment, there must be -- as a matter of economic fairness, equity, and legal principle -- an opportunity for ILECs to recover their embedded investments made by these carriers under a past (and indeed, continuing) regulatory mandate to provide service universally. These past investments, only partially recovered from the customers who have used the facilities allocated to interstate service, must be fully recovered from these same customers who have had the advantage of their use.

Indeed, this is the policy of the federal administration. "[R]ecovery [by local telephone companies] of costs legitimately incurred pursuant to regulatory obligations would be warranted. ... [S]uch recovery should be limited ... to investment expenses not already recovered through past earnings."<sup>70</sup> SNET does not propose here recovering again those costs incurred to provide service pursuant to regulatory obligations, only those costs that have not been recovered through earnings due to regulatory policy and economic obsolescence.

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<sup>70</sup> Economic Report of the President, Washington, D.C., February 10, 1997.

A. ILECs Must Be Provided An Opportunity To Recover Embedded Costs.

Some parties comment that any interstate depreciation shortfall must not be allowed in the reformed version of access charges. These parties' general observation is that, for example, ILECs have made a majority of investments taking the risks of incentive regulation into account,<sup>71</sup> that a "regulatory compact" never existed and even if it did, it does not grant ILECs a legal claim to these costs.<sup>72</sup> Or they argue that embedded cost recovery is not a guaranteed right but rather a part of doing business under the price cap regime.<sup>73</sup>

Parties with this point of view at best misunderstand the ILEC proposal, or at worst intentionally warp the facts in response to their incentive to drive access rates down no matter what it takes. First, ILECs are not *requiring* the recovery of embedded costs, merely the *opportunity* to recover them, now that a new paradigm of legislated competition has replaced the old paradigm of rates based upon costs of service, or even incentive-based regulation. Under the old paradigm, ILECs were assured the opportunity for *eventual* complete cost recovery in exchange for the obligation to serve all customers.<sup>74</sup> In the new paradigm of open and unrestrained competition, ILECs

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<sup>71</sup> Ad Hoc, pg. 64.

<sup>72</sup> AARP, pg. 6. This claim from AARP is startling, in that their members -- senior citizens on limited incomes -- are among the largest group of beneficiaries of the regulatory compact, wherein ILECs always provide service when and where demanded, at rates that were below cost.

<sup>73</sup> FPSC, pg. 9.

<sup>74</sup> The "Affidavit of J. Gregory Sidak & Daniel F. Spulber," Attachment 3 to USTA's Comments, January 29, 1997 provides an extensive and thorough analysis of this point, including breach of the regulatory contract, at paras. 14-15, 79-178.

are still subject to the costs incurred under the deferral policies of the historic regulatory framework. ILECs must have the opportunity to recover the costs incurred under the historic public interest standard. A valid, legal, interim transition mechanism to provide for that opportunity must be adopted by the Commission.<sup>75</sup>

Further, the opportunity for embedded cost recovery is a legitimate provision of access reform, whether the Commission orders a prescriptive approach, a market-based approach, or a combination of these approaches.<sup>76</sup>

B. Allocations To Interstate Can Only Be Revised In A Separations Rules Proceeding.

The separations process, embodied in Part 36 of the Commission's Rules, has been a long-standing and complex regulatory regime to allocate ILEC costs between the intrastate and the interstate jurisdictions. Now that interstate access competition is the new approach to pricing interstate access, some parties urge the Commission to reduce access rates by the amount of historical over-allocations to interstate access.<sup>77</sup>

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<sup>75</sup> Citizens, pgs. 34-39, 44-47; CWA, pgs. 5-6; GTE, pgs. 79-87; Pacific, pgs. 44-52; RTC, pgs. 13-21; SNET, pgs. 43-51; TDS, pgs. 12-16; USTA, pgs. 68-72; US West, pg. 80; Bell Atlantic/NYNEX, pgs. 27-31 (citing Democratic Cent. Comm. of D.C. v. Washington Metro. Area Transit Comm'n, 485 F.2d 786, 808 (D.C. Cir. 1973) ("Ratepayers bear the expense of depreciation, including obsolescence and depletion, on operating utility assets through expense allowances to the utilities they patronize.") (footnotes omitted; emphasis added); BellSouth, pgs. 59-63 (citing Brooks-Scanlon Co. v. Railroad Comm'n, 251 U.S. 396 (1920) (the Constitution forbids a firm from being forced to sell at prices that do not recover all of its true costs)).

<sup>76</sup> See USTA/NERA, pgs. 11-15.

<sup>77</sup> See, e.g., API, pgs. 38-42; C&W, pg. 30; Illinois Commerce Commission, pg. 25.

SNET agrees that separations reform is an absolute necessity, and it should be accomplished in conjunction with access reform, in a separate proceeding.<sup>78</sup> Indeed, SNET understands that the Commission intends to undertake a thorough review of its separations rules very soon. This is the correct and proper course, if access rates are to reflect the true costs of those services. It is therefore premature for the Commission, in this proceeding, to require changes to the current allocations to the interstate jurisdiction.

C. The Shortfall In The Interstate Depreciation Reserve Must Be Recovered From Customers Of Interstate Tariffed Services.

The shortfall in interstate depreciation reserve was a topic of considerable discussion in the January 29, 1997 comments. The discussion ranged from "no depreciation reserve exists,"<sup>79</sup> to "allowing an increase in access charges at this time seems to have the potential for serious anticompetitive impact."<sup>80</sup> ILECs spent considerable effort to identify and document the interstate depreciation reserve shortfall,<sup>81</sup> and their consultants provide a great deal of evidence not only to prove the

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<sup>78</sup> MCI, pg. 69; NARUC, pg. 7; Texas PUC, pg. 32; SCA, pg. 60.

<sup>79</sup> SCA, pg. 58.

<sup>80</sup> WUTC, pg. 14.

<sup>81</sup> Ameritech, pg. 51; Bell Atlantic/NYNEX, pgs. 27-31; GTE, pgs. 39-40; Pacific, pgs. 44-52; SNET, pgs. 43-50; SWBT, pgs. 11, 58; USTA, pgs. 72-76; USW, pgs. 13-15.



existence of the shortfall,<sup>82</sup> but also to provide reasonable suggestions for recovery opportunity.

There can be no doubt whatsoever that a depreciation shortfall exists. It was the telecommunications policy of the land to recover capital over a period of time that was longer than the economic lives of the plant to which the depreciation rates applied; the Commission itself has acknowledged this situation.<sup>83</sup> Therefore, the first task is to identify the amount, and the second task is to provide for a reasonable recovery mechanism.

The industry has submitted to the Commission their estimates of the reserve shortfall, calculated by customary means with current data.<sup>84</sup> The industry recommends that the Commission permit recovery of the shortfall, as follows:

Price cap LECs should bill IXCs a pro rata amount to recover the reserve deficiency over an accelerated period. ... A separate charge would be billed to each IXC. ... The [amount of shortfall] is billed to interexchange carriers based on their share of interstate revenues over the last three years. Each incumbent LEC would bill the IXCs based upon their own company data.<sup>85</sup>

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<sup>82</sup> See Comments of USTA at Attachment 12, "Implications of Technology Change and Competition on the Local Exchange Carriers," Technology Futures, Inc.; Attachment 13, "Calculation of Depreciation Reserve Catch-Up;" Attachment 14, "Affidavit of Lawrence Vanston, Technology Futures, Inc.;" Attachment 15, "The Depreciation Shortfall," Strategic Policy Research.

<sup>83</sup> NPRM, paras. 250-253.

<sup>84</sup> See Comments of USTA at Attachment 13, "Calculation of Depreciation Reserve Catch-Up;" Attachment 14, "Affidavit of Lawrence Vanston, Technology Futures, Inc.;" Attachment 15, "The Depreciation Shortfall," Strategic Policy Research.

<sup>85</sup> USTA, pgs. 78-79.

SNET submits that this arrangement is not at all contrary to the regulatory policy that depreciation be treated as exogenous in the price cap formula. That policy would continue without change. The shortfall, however, is not a depreciation change with respect to the price cap formula; it is a special billing arrangement to recover a public policy cost that was withheld from recovery by historic regulatory decisions and policy-making. This shortfall has not been caused by competitive losses, but rather by regulatory mandate. "It would be totally inappropriate and unlawful to impose on LEC shareholders the losses resulting from under-depreciation that was required by the Commission and state regulatory agencies."<sup>86</sup>

In sum, SNET urges the Commission to recognize that the time has come for customers who utilize regulated assets to pay for them in accordance with well-found regulatory and economic principles. Now is the time for IXC's to "catch up" with the concept of economic depreciation used in competitive environments, and to compensate the carriers for their economic consumption of facilities -- nothing more, nothing less.

## VIII. CONCLUSION

The Act, and the increasingly competitive telecommunications market, working together, now require the Commission to effect a progressive, competitive environment that includes the ILECs as full participants. SNET urges the Commission

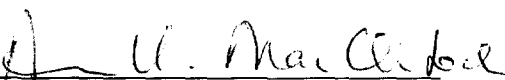
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<sup>86</sup> MCI, pg. 22.

to recognize the new marketplace reality, to adopt a market-based approach to access reform, and thereby to move forward with a pro-competitive plan that allows fair competition to flourish.

Respectfully submitted,

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February 14, 1997

## Certified Local Exchange Carriers (CLECs) in Connecticut as of 1/14/97

CLEC	Docket Number	Approval Date	LMAs	Telephone NXXs/Exchange	Tariff Information Issue Date / Effective Date / Key Notes	Access Service
AT&T	96-01-06	Filed 1/10/96 Approved 2/28/96	Statewide LMAs		Reseller (initially)	
Brooks Fiber Communications of Connecticut	95-07-08	Filed 7/12/95 Approved 8/16/95	Hartford Central New London  Statewide LMAs Approved 7/16/96	860-808 Hartford 860-713 Hartford 860-906 Bloomfield 860-907 Windsor 860-920 W. Hartford	Facilities based provider and reseller  This filing includes tariffs for local exchange service. Effective date: April 1, 1996	FGD switched access service including local and tandem switching and DS1 and DS3 dedicated switched transport.  Special access services. <sup>1</sup>
Cable & Wireless, Inc.	95-10-32	Filed 10/20/95 Approved 11/29/95	Bridgeport Danbury Danielson Hartford East Hartford Central Hartford West New Haven New London Stamford Torrington		Reseller only  Tariff for local exchange service. Effective date: March 20, 1996  <u>Summary of tariff activity</u> Intrastate toll tariffs filed 12/27/95 with effective date of 1/10/96  Local calling service tariffs with rate ranges filed 1/3/96 with effective date of 1/24/96 -- DPUC ordered refiling with effective rates  Updated intrastate toll tariffs rates filed 2/26/96 with effective date of 3/12/96  Local calling service tariffs with effective rates filed 3/5/96 with effective date of 3/20/96	
Cablevision Lightpath - Connecticut, Inc.	95-07-19	Filed 7/27/95 Approved 7/17/96	Bridgeport New London Stamford Torrington		Facilities based provider utilizing facilities of Cablevision and resale (where appropriate)	

<sup>1</sup> CLEC may provide Special Access Services in exchanges in addition to those in which it provides Switched Access Services.

## Certified Local Exchange Carriers (CLECs) in Connecticut as of 1/14/97

CLEC	Docket Number	Approval Date	LMAs	Telephone NXXs/Exchange	Tariff Information Issue Date / Effective Date / Key Notes	Access Service
Commonwealth Long Distance (CLD)	96-11-18	Filed 11/26/96 Approved 1/8/97	Statewide LMAs		Reseller of local exchange and intralata interexchange services.	
Connecticut Telephone & Communication Systems, Inc.	96-03-16	Filed 3/13/96 Approved 7/31/96	Statewide LMAs		Reseller of local exchange and intralata interexchange services  This filing includes tariffs for local exchange services within the state. Effective Date: July 31, 1996	
Dial & Save of Connecticut, Inc.  Assets transferred to newly formed holding company, Telco Holdings, Inc. 1/3/97	96-06-04	Filed 6/5/96 Approved 7/17/96	Statewide LMAs		Reseller	
Excel Telecommunications, Inc.	96-06-07	Filed 6/7/96 Approved 7/17/96	Statewide LMAs		Reseller	
GE Capital Communications (GECC)	96-10-03	Filed 10/01/96 Approved 11/13/96	Statewide LMAs		Reseller of all forms of telecommunications services including residential and business local exchange, custom calling features and adjunct and ancillary services (voice messaging, 911, DA, etc.)	
LCI International Telecom Corp.	96-03-02	Filed 3/4/96 Approved 4/9/96	Statewide LMAs		Reseller	
LDDS WorldCom  Merged with MFS, 8/96	96-01-18		Statewide LMAs		Reseller	
MCI Metro Access Transmission (MCImetro)	95-08-12	Filed 8/10/95 Approved 9/13/95 Reopened 3/6/96 Final Approval 3/20/96	Initial Approval on 9/13/95 for: Hartford East Torrington	860-616 Hartford 860-618 Torrington 860-813 E. Hampton 860-814 Enfield 860-815 Glastonbury	Facilities based provider. <sup>2</sup>  Effective date: March 20, 1996	FGD switched access service including local and tandem switching, DS1 and DS3 dedicated switched transport.

<sup>2</sup> Companies that are currently tariffed as facilities based providers are eligible to be resellers also.

## Certified Local Exchange Carriers (CLECs) in Connecticut as of 1/14/97

CLEC	Docket Number	Approval Date	LMAs	Telephone NXXs/Exchange	Tariff Information Issue Date / Effective Date / Key Notes	Access Service
			<p>Final Approval on 3/20/96 for: Hartford Central Torrington</p> <p>Statewide LMAs approval requested 6/5/96. Final approval 7/5/96.</p>	<p>860-816 West Hartford 860-817 East Hartford 860-818 Bloomfield 860-819 Newington 860-901 Suffield 860-902 Windsor 860-903 Windsor Locks 860-904 Wethersfield 203-302 Stamford</p>	<p>Revised tariffs offering MCI Basic Line and MCI Basic Line+4, flat rated business services statewide. Effective date: July 5, 1996</p> <p>Revised tariff offering for flat rate local line service. (Business only) Effective date: January 1, 1997</p> <p>Revised tariff offering local service term discount plans. Discounts apply to recurring and usage charge. Effective date: January 15, 1997</p>	<p>Special Access Services.<sup>3</sup></p> <p>800 Database.</p> <p>LIDB Billing Validation.</p>
CLEC	Docket Number	Approval Date	LMAs	Telephone NXXs/Exchange	Tariff Information Issue Date / Effective Date / Key Notes	Access Service
<p>MFS Intelenet of Connecticut, Inc.</p> <p>Merged with LDDS WorldCom, 8/96</p>	95-05-20	Filed 5/22/95 Approved 6/28/95	<p>Danielson Hartford Central Hartford West New London Stamford Torrington</p>	<p>860-706 Hartford 860-707 W. Hartford 203-705 Stamford</p>	<p>Facilities based provider<sup>4</sup></p> <p>This filing includes tariffs for exchange access service. Effective date: April 11, 1996</p>	<p>FGB and FGD Switched Access including local and tandem switching and DS1 and DS3 dedicated switched transport.</p> <p>Special Access Services.<sup>5</sup></p> <p>800 Database service.</p> <p>LIDB Billing Verification.</p>
Sprint Telecom.	95-08-	WITHDRAWN	Statewide LMAs			

<sup>3</sup> CLEC may provide Special Access Services in exchanges in addition to those in which it provides Switched Access Services.

<sup>4</sup> Companies that are currently tariffed as facilities-based providers are eligible to be resellers also.

<sup>5</sup> CLEC may provide Special Access Services in exchanges in addition to those in which it also provides Switched Access Services.

## Certified Local Exchange Carriers (CLECs) in Connecticut as of 1/14/97

CLEC	Docket Number	Approval Date	LMAs	Telephone NXXs/Exchange	Tariff Information Issue Date / Effective Date / Key Notes	Access Service
Venture (STV)	36	MARCH 13, 1996				
Sprint Communications Company	96-03-32	Filed 3/20/96 Approved 5/1/96	Statewide LMAs		Intends to be a reseller (initially)	
TCI Telephony Services of Connecticut, Inc.	96-04-33	Filed 4/26/96 Approved 8/21/96  Will offer local exchange, interexchange carrier access and interexchanges services	Statewide LMAs	203-204 Guilford 203-208 N. Branford 203-228 Wallingford 203-535 New Haven 860-206 Bloomfield 860-207 Bristol 860-209 Canton 860-215 Farmington 860-216 Hartford 860-217 Simsbury 860-218 New Britain 860-219 Windsor 860-519 W. Hartford 860-809 Manchester	Will utilize cable television facilities of its affiliates; lease or resell the facilities or services of non-affiliated companies; use switching facilities of Teleport Communications Group  This filing includes tariffs for the provision and resale of local exchange and interLATA interexchange services within the state of Connecticut. Effective Date: August 21, 1996  This filing includes new service plans and rates for local and intrastate toll service. Effective Date: October 7, 1996  This filing includes new rates for residential local service and new section for "Toll Minute Packs" Effective Date: January 6, 1997	FGD switched access including tandem switching.  Special Access Services. <sup>6</sup>  800 Database Service.
Teleport Communications Group (TCG Connecticut)	95-01-13  94-07-03	Filed 1/17/95 tariffs for Intralata toll, Centrex, TeleXpress services  Approved 3/28/95  Filed 4/14/95 as letter of intent in	Statewide LMAs	203-202 Branford 203-205 Madison 203-223 No. Haven 203-514 Meriden 203-601 Trumbull 203-805 Waterbury 203-806 Cheshire 203-905 Stamford 860-201 Berlin		FGD switched access including local and tandem switching, and DS1 and DS3 dedicated switched transport.  Special Access Services. <sup>7</sup>  800 Database Service.

<sup>6</sup> CLEC may provide Special Access Services in exchanges in addition to those in which it also provides Switched Access Services.

<sup>7</sup> CLEC may provide Special Access Services in exchanges in addition to those in which it also provides Switched Access Services

## Certified Local Exchange Carriers (CLECs) in Connecticut as of 1/14/97

CLEC	Docket Number	Approval Date	LMAs	Telephone NXXs/Exchange	Tariff Information Issue Date / Effective Date / Key Notes	Access Service
		compliance to Docket No. 94-07-03 (Certification Procedures) to operate as a local exchange carrier to provide all forms of telephone service through Connecticut.  Approved 5/16/95		860-213 Plainville 860-214 E. Hartford 860-221 E. Hartford 860-505 Berlin 860-506 Bristol 860-507 Farmington 860-509 Hartford 860-512 Manchester 860-515 New Britain 860-517 Plainville 860-602 Windsor 860-804 Windsor Locks 860-807 Middletown 860-810 W. Hartford		
WinStar Wireless of Connecticut, Inc.	96-04-09	Filed 4/9/96 Approved 5/15/96  Will provide local and interexchange services	Bridgeport Danbury Danielson Hartford West New Haven New London Stamford Torrington Waterbury		Will employ a combination of its own equipment, plus third party equipment, services and facilities purchased from other entities. Anticipates purchasing and installing a digital switch configured as both a tandem and end office.	
Working Assets	95-02-11	Filed 6/18/96	Statewide LMAs		Local operations will be limited to marketing its local service offering to its long distance users. Local service will include all standard and custom features available for resale from SNET.	